

National Park Service, Interior

§ 18.10

lease, in accordance therewith, unless the bid is rejected. The Director reserves the right to reject any and all bids in his discretion when in the best interest of the Government.

§ 18.8 Requests for proposals.

(a) When the award of a lease will be based on criteria in addition to price, solicitation of offers will be made through requests for proposals and the Director may negotiate with the party or parties which, in the Director's judgment, makes the offer(s) which is susceptible to being the most advantageous to the National Park Service.

(b) Where significant investment would be required of a potential lessee, the Director shall issue a request for proposals describing the required preservation, preservation maintenance, restoration, reconstruction, adaptive use, or other specified work.

(c) Requests for proposals will be made available upon request to all interested parties and will allow a minimum of sixty days for proposals to be submitted unless a shorter period is necessary and made part of the public notice.

(d) All proposals received will be evaluated by the Director, and the proposal(s) considered to meet the criteria best shall be selected as the basis for negotiation to a final lease.

(e) The principal factors to be used in evaluating the proposal(s) shall be stated in the request for proposals and shall include as appropriate (1) price, (2) financial capability, (3) experience of the proposer, (4) conformance of the proposal(s) to the request for proposals, (5) impact of the proposal(s) on the historical significance and integrity of the site or structure(s) or, (6) any other factors that may be specified. When the request for proposal solicits lease proposals for use of sites or structures, the selection criteria may include assessment of the degree to which any use proposed is supportive of the purposes of the park.

(f) The Director may solicit from any offeror additional information, or written or verbal clarification of a proposal. The Director may choose to reject all proposals received at any time and resolicit or cancel the solicitation altogether in his discretion when in the

best interest of the Government. Any material information made available to any offeror by the Director must be made available to all offerors, and will be available to the public upon request.

(g) The Director may, in his discretion, terminate negotiations at any time prior to execution of the lease without liability to any party when it is in the best interest of the Government.

§ 18.9 Lease terms and conditions.

(a) All leases shall contain such terms and conditions as the Director deems necessary to assure use of the property in a manner consistent with the purpose for which the area was authorized by Congress and to assure the preservation of the historic property.

(b) Leases granted or approved under this part shall be for the minimum term commensurate with the purpose of the lease that will allow the highest economic return to the Government consistent with prudent management and preservation practices, except as otherwise provided in this part. In no event shall a lease exceed a term of 99 years.

§ 18.10 Subleases and assignments.

(a) A sublease, assignment, amendment or encumbrance of any lease issued under this part may be made only with the written approval of the Director.

(b) A lease may be amended from time to time at the written request of either the lessee or the Government with written concurrence of the other party. Such amendments will be added to and become a part of the original lease.

(c) The lease may contain a provision authorizing the lessee to sublease the premises, in whole or in part, with approval of the Director, provided the uses prescribed in the original lease are not violated. Subleases so made shall not serve to relieve the sublessee from any liability nor diminish any supervisory authority of the Director provided for under the approved lease.

(d) With the consent of the Director, the lease may contain provisions authorizing the lessee to encumber the leasehold interest in the premises for the purpose of borrowing capital for

the development and improvement of the leased premises. The encumbrance instrument must be approved by the Director in writing. An assignment or sale of leasehold under an approved encumbrance can be made with the approval of the Director and the consent of the other parties to the lease, provided, however, that the assignee accepts and agrees in writing to be bound by all the terms and conditions of the lease. Such purchaser will be bound by the terms of the lease and will assume in writing all the obligations thereunder.

§ 18.11 Special requirements.

(a) All leases made pursuant to the regulations in this part shall be in the form approved by the Director and subject to his written approval.

(b) No lease shall be approved or granted for less than the present fair market rental value.

(c) Unless otherwise provided by the Director a satisfactory surety bond will be required in an amount that will reasonably assure performance of the contractual obligations under the lease. Such bond may be for the purpose of guaranteeing:

(1) Not less than one year's rental unless the lease contract provides that the annual rental or portion thereof shall be paid in advance.

(2) The estimated construction cost of any improvements by the lessee.

(3) An amount estimated to be adequate to insure compliance with any additional contractual obligations.

(d) The lessee will be required to secure and maintain from responsible companies insurance sufficient to indemnify losses connected with or occasioned by the use, activities, and operations authorized by the lease. Types and amounts of insurance coverage will be specified in writing and periodically reviewed by the National Park Service.

(e) The lessee shall save, hold harmless, and indemnify the United States of America, its agents and employees for losses, damages, or judgments and expenses on account of personal injury, death or property damage or claims for personal injury, death, or property damage of any nature whatsoever and by whomsoever made arising out of the activities of the lessee, his employees,

subcontractors, sublessees, or agents under the lease.

(f) No lease shall provide the lessee a preference right of future leases.

(g) The lessee is responsible for any taxes and assessments imposed by Federal, State, and local agencies on lessee-owned property and interests.

(h) The lessee shall comply with local applicable ordinances, codes, and zoning requirements.

§ 18.12 Ownership of improvements.

(a) Capital improvements made to existing government-owned structures by the lessee or additional structures placed on the government-owned land by the lessee are the property of the United States. No rights for compensation of any nature exist for such property at the termination or expiration of the lease except as specified in the lease.

(b) Furniture, trade fixtures, chattel, and other personal property defined in the lease shall remain the property of the lessee upon termination or expiration of the lease and shall be removed within a reasonable time specified in the lease.

§ 18.13 Exchanges for historic property.

(a) After consultation with the Advisory Council on Historic Preservation, the Secretary, consistent with other legal requirements or other legal authorities, may exchange any property owned by the United States of America under his administration for any non-federally owned historic property located within the authorized boundaries of an existing unit of the National Park System, if he has determined that such exchange will adequately ensure preservation of the historic property and subject to the requirements of § 18.3 of this part.

(b) The exchange of the two properties must be on the basis of approximately equal fair market value established by the approved appraisal reports of the agency. The Secretary may accept cash from or pay cash to the grantor in an exchange, in order to equalize the values of the properties exchanged.